GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:387
ANSWERED ON:19.04.2002
EXPORT TARGET
A. VENKATESH NAIK;ASHOK NAMDEORAO MOHOL

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have fixed $ 15 b export target for export of textile goods during 2002-2003;

(b) if so, the details thereof and the incentives proposed to be provided to the exporters to achieve the target set for 2002-2003;

(c) the target fixed for export of textile items during 2001-2002;

(d) the actual target achieved by the end of March, 2002; and

(e) the reasons for not achieving the target set of 2001-2002?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (e): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 387 for 19-04-2002

(a) to (e) As against the target of US$12,100 million fixed for textile products for the year 2001-02, a target of US$ 15,005 million has been fixed for the year 2002-03. The sector-wise details of textile export targets for the year 2002-03 are given below:-

(US$ Million)

S.No.	Item	Target proposed for 2002-03
1	Readymade Garment	6000.0
2	Cotton Textiles (a+b)	4250.0
	a) Cotton yarn, fabric & made-ups	3700.0
	b) cotton fabric, made-ups (HL)	550.0
3	Man-made textiles	1500.0
4	Wool & Woolen textiles	350.0
5	Silk	450.0
	Total Textiles	12550.0
6	Handicrafts (a+b)	2170.0
	a) Other Handicrafts	1600.0
	b) Carpets	570.0
7	Coir	85.0
8	Jute	200.0
	Total Textiles Exports	15005.0

As per DGCI&S Classification

As per latest available DGCI&S data, the textile exports during the period April-January 2001-2002 amounted to US$ 8915.4 million, which means that 73.7% of the export target for the year 2001-02 has been achieved during the period April-January 2001-02. As per the estimates of Textile Export Promotion Councils, the textile exports during the full year i.e. 2001-02 are expected to reach a level of US$ 11915.3 million (To be confirmed with DGCI&S data, as and when available).The shortfall in achievement in pro-rata target may be attributed to the general slowdown in the economies of some of our major trading partners like the US; increased competition from

countries like China, Bangladesh; and high production cost; low productivity due to lack of modernisation of textile industry.

Government have been taking a number of measures to strengthening the domestic textile industry for meeting the growing global competition and for achieving export targets. Some of the important initiatives are:-

i) The Government has de-reserved the woven segment of readymade garment from the SSI sector.It has also announced the de-reservation of knitted segment in the Budget 2002-03.

ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of this sector so that it can become more competitive in international trade.

iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.

iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.

v) Foreign equity participation upto 100% through automatic route has been allowed in the textile sector with a few exceptions.

vi) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

vii) To prepare and sensitise the textile industry to conform to the ecological requirements of improving countries by providing facilities by way of eco-testing laboratories.